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9 OCT 2009

Mr Tony O'Shea
Chairman
Co-operatives Australia
71 Franciscan Avenue
FRANKSTON VIC 3199

Dear Mr O'Shea

Thank you for your letter of 6 July 2009 concerning the recognition of co-operative enterprises in the design of Commonwealth Government programmes and associated legislation, with particular reference to the Re-tooling for Climate Change Program. I apologise for the delay responding to you.

I am pleased to note that since you wrote that letter, the Minister for Innovation, Industry, Science and Research has agreed to amend the Re-tooling for Climate Change Programme guidelines, to replace the requirement that an applicant be 'a company incorporated under the *Corporations Act 2001*' with a requirement that the applicant be 'incorporated in Australia under a law of the Commonwealth or of a State or Territory'. This decision was based on accepting that at least one co-operative met all of the other eligibility criteria.

I understand that the original criterion was not designed with the intention of excluding co-operatives. Rather, consultation during the programme development phase suggested that the requirement for incorporation under the *Corporations Act 2001* would adequately capture the target market for the programme, being non-tax exempt small and medium-sized business enterprises undertaking manufacturing activities in Australia looking to undertake a relevant project.

That the guidelines for the Re-tooling for Climate Change programme were subsequently amended following representations by the co-operative sector underscores the Government's commitment to ensuring that this important sector has proper access to relevant Commonwealth programs. It is certainly the Government's intention that co-operatives are able to benefit from these types of programs where they meet the relevant eligibility criteria. I look forward to continuing involvement by the co-operative sector in the development and implementation of Government policy.

I trust this information will be of assistance to you.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Wayne Swan'.

WAYNE SWAN